

#### DESCRIPTION

This plan allows eligible employees who are double covered for dental insurance through another group dental plan a choice between continuing nontaxable dental coverage under one of the City's dental insurance plans, or dropping the City's coverage and receiving a taxable in-lieu cash payment.

Effective January 1, 2017, eligible employees shall receive the following Dental In-Lieu rate:

For all employee (except employees represented by POA and IAFF, Local 230)	For all employees represented by POA and IAFF, Local 230
If eligible for EE only coverage: \$6.65	If eligible for EE only coverage: \$19.95
If eligible for EE+SP/DP coverage: \$13.30	If eligible for EE+SP/DP and/or Child(ren) coverage: \$19.95
If eligible for EE+Child(ren) coverage: \$11.64	
If eligible for EE+SP/DP+Child(ren): \$19.95	

**PAYMENT / TAXES / PLAN YEAR:** Payment will be through the employee's regular biweekly payroll check. Payment is taxable, and subject to tax withholding. The Plan Year on which the Plan operates (including elections and payments) is the calendar year.

**ELIGIBILITY :** Full-time and Reduced Work Week (35+ hours per week) employees, who certify that they have alternate group coverage, and who provide proof of alternate group coverage which is acceptable to the City of San José upon request, are eligible for the Plan.

Eligible employees represented by ABMEI, ALP, AEA, AMSP, CAMP, CEO, IBEW, MEF, OE#3, POA, IAFF, Local 230 and Unrepresented employees who receive dental coverage as a dependent of another City employee or retiree are only eligible for the Single In-Lieu plan. Employees on an unpaid leave of absence are not eligible for the Plan and in-lieu payments.

#### ENROLLMENT / ELECTIONS

Eligible employees may enroll online through eWay during the annual open enrollment period (typically held in November). The Plan and in-lieu payments will become effective on the first day of the following calendar year. New employees have 30 days from the date of hire to enroll. Employees will need to provide proof of alternate group coverage. **Proof of alternate group coverage** is a letter from an employee's spouse/domestic partner's employer or covered person's employer providing the alternate group coverage or other statement such as a benefits confirmation statement, which confirms that you and your dependents are enrolled in coverage through another employer's group dental plan. **Proof of alternate group coverage** must identify the subscriber, list all covered dependents and type of coverage they are enrolled in, and effective coverage date. **The proof of coverage must be in effect for the plan year 1/1/17-12/31/17.**

**Proof of alternate group coverage** when you are the dependent of another covered City of San José employee (or retiree) can be completed by submitting a written or emailed correspondence verifying that you are covered as a dependent under their coverage. The correspondence must include the **covered City employee's Name and Employee ID Number or must include the covered City Retiree's Name. Your documentation must include your full Name and Employee ID Number.**

**Dental cards, or proof of individual coverage, are not acceptable proof of alternate group coverage.**

Enrolled employees need not renew enrollment every year; unless informed otherwise, the City will automatically renew enrollment. Employees may apply for Dental In-Lieu during the year only if they become eligible due to a change in family status, and they must apply within 30 days of the date of that change. A change in family status is defined as follows:

- Change in marital status – marriage, divorce, or legal separation
- Change in dependent status – birth, adoption, legal guardianship, or death
- Change in work status (either employee or employee's spouse) – termination of employment, commencement of employment, or change between part-time and full-time employment

Employees may cancel enrollment during the open enrollment period only, except as noted below. Cancellation during the open enrollment period will become effective on the first day of the following calendar year. Enrollment in any of the City's plans during open enrollment shall be subject to the City's standard enrollment procedures.

**IF ALTERNATIVE COVERAGE IS LOST:** If the alternative dental coverage is lost, the employee must notify the City immediately. The employee must complete and submit the required enrollment form and written verification of lost coverage from the former provider (employer, group or insurer) within 30 days of the loss of coverage. Within this 30-day period, the employee must pay all applicable premiums and refund any excess in-lieu payments which were received to be restored to a City dental insurance plan of his or her choice on the date when alternate coverage terminated. Proof of eligibility will be required for any dependent you wish to enroll who was not previously covered by a City dental insurance plan.

**AMENDMENT OR TERMINATION:** The City of San José reserves the right to amend or terminate the Plan at any time, subject to applicable collective bargaining agreements.